REMARKS

In reply to the Office Action dated April 8, 2005, Applicants have amended claims 1, 3, 12, and 20 to more clearly recite the invention and expressly recite features inherent in the original words of these claims. Claims 1-20 are currently pending in this case.

In the Office Action, the Examiner rejected claims 1-20 under 35 U.S.C. § 102(a) or (e) as being anticipated by U.S. Patent Application Publ. No. 2003/0036993 to Parthasarathy ("*Parthasarathy*").

In order to properly anticipate claims 1-20 under 35 U.S.C. § 102, *Parthasarathy* must explicitly disclose each and every element recited in the claims. *See* M.P.E.P. § 2131 (8th ed., May 2004 rev.). If *Parthasarathy*, however, fails to expressly set forth a particular limitation, then the Examiner must show that this limitation is inherently disclosed to substantiate a claim of anticipation. *See In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999). To establish inherency, the Examiner must specifically identify extrinsic evidence that makes clear to one skilled in the art that the missing limitation "is necessarily present" in the *Parthasarathy* disclosure. *See id.; see also Continental Can Co. v. Monsanto Co.*, 948 F.2d 1264, 1269 (Fed. Cir. 1991).

Parthasarathy fails to disclose several elements recited in claims 1-20. Independent claim 3, for example, recites, among other things, "providing, to a plurality of lenders and the plurality of borrowers, information about the plurality of offers to borrow;" and "providing, to the plurality of borrowers and the plurality of lenders, information about the plurality of offers to lend." Similarly, claim recites that "the borrowing and lending information from the database is made available to borrowers and lenders." *Parthasarathy* fails to disclose these features.

Parthasarathy teaches a system that implements a lending and borrowing forum that introduces a potential borrower to one or more potential lenders, or a potential lender to one or more potential borrowers, based on loan offer parameters entered by the participants. (Abstract; paras. 12, 13, 34). The *Parthasarathy* system connects lenders and borrowers whose loan offer parameters match each other, so that they can potentially negotiate a loan agreement. (Abstract, paras. 12-15). In the *Parthasarathy* system, a potential borrower sees the offers of matching lenders, and a potential lender sees the offers of matching borrowers. (Paras. 54-57, 69). *Parthasarathy* does not teach providing, to a plurality of lenders and the plurality of borrowers, information about the plurality of offers to borrow because *Parthasarathy's* borrowers see only the matching lenders' data, not the data of other borrowers. Similarly, *Parthasarathy* does not teach providing, to the plurality of borrowers and the plurality of lenders, information about the plurality of offers to lend because *Parthasarathy's* lenders see only the matching borrowers' data, not the data of other lenders. In short, *Parthasarathy* does not create a market for collateralized loans with the borrower offer information and the lender offer information available to both lenders and borrowers so that an efficient "market price" for loans can be determined.

Parthasarathy also fails to disclose other features of the independent claims. For example, independent claim 3 also recites "creating a secured loan between a lender and a borrower incorporating unaltered the attributes from the lender's offer to lend and the attributes from the borrower's offer to borrow if the lender's offer to lend matches the borrower's offer to borrow."

Parthasarathy does not describe a system that automatically matches borrowers and lenders and creates a secured loan agreement. Instead, *Parthasarathy* teaches a system that merely introduces potential lenders and borrowers to each other based on loan preference parameters entered by each party, without creating a secured loan that is binding between the parties. (Abstract; paras. 12, 13, 34). *Parthasarathy's* system matches a potential lender with a potential borrower by comparing parameters of offers to lend with parameters of offers to borrow and identifying prospective borrowers and prospective lenders whose respective parameters match. (Paras. 2, 13). The loan offer data from matching potential lenders are presented to the potential borrower for consideration. (Paras. 14, 55-57). The borrower may choose which, if any, matching lender to negotiate with further, and a chosen lender may opt out of negotiation. (Paras. 55, 57). In essence, *Parthasarathy* describes a "matchmaking" process where loan candidates are introduced to each other, but are left to negotiate their transaction independent of the *Parthasarathy* system.

Parthasarathy does not teach "creating a secured loan between a lender and a borrower incorporating unaltered the attributes from the lender's offer to lend and the attributes from the borrower's offer to borrow if the lender's offer to lend matches the borrower's offer to borrow" because the *Parthasarathy* system merely introduces the parties to each other for further negotiation if their parameters match. No "secured loan between the borrower and lender incorporating unaltered the attributes from the lender's offer to lend and the attributes from the borrower's offer to borrow" is created if a match occurs because, when a match occurs, Parthasarthy teaches that: 1) a borrower may decline to contact a matching lender (para. 56), and thus no loan will be created despite

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the match; 2) a lender may decline to deal with a matching borrower (para. 57), and thus no loan will be created despite the match; 3) the subsequent negotiations may fail (para. 66), resulting in no loan being created despite the match; and 4) the parties may change the attributes of their offers to lend and borrow via negotiation (abstract, paras. 59, 60), and thus any loan created will not incorporate unaltered the attributes from the lender's offer to lend and the attributes from the borrower's offer to borrow.

For at least the foregoing reasons, *Parthasarathy* does not disclose each and every element recited in independent claim 3, and independent claim 3 is therefore allowable over *Parthasarathy* . Independent claims 1, 12 and 20 recited similar elements and are therefore allowable for at least the same reasons. In addition, dependent claims 2, 4-11, and 13-19 are allowable at least by reason of depending from an allowable base claim.
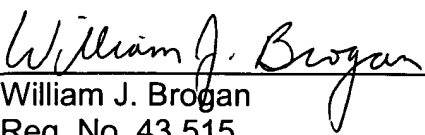
In view of the foregoing amendments and remarks, Applicant respectfully requests reconsideration of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

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Respectfully submitted,

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Dated: September 7, 2005   By: _William J. Brogan_
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